Terminal Business Service (ATB): What's Different?

Bill Voss

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Establish Terminal Modernization Business Unit

- One group responsible for modernizing terminal service
  - Not about operations, not about engineering
- Scope
  - Set priorities
  - Manage risk
  - Manage processes
  - Integrate products
- Need
  - Consolidate F&E dollars associated with terminal modernization
    - Establish linkages to R,E&D and Ops costs
  - Reassign people
    - Those essential to the process of modernization are assigned to business unit (headquarters and region)

Before & After: Leadership

Today

ATB

- Priorities differ across organizations

- Priorities are consistent across ATB

- Scheduling is accomplished project by project
  - Don't recognize use of same resources
  - Field has to balance disjointed plans

- ATB has a single integrated schedule to provide capability

- No single person is accountable for provision of capability

- ATB lead is responsible for provision of terminal capability

Before & After: Financial Management

Today

- Conflicting priorities lead to disagreement on funding allocations

- Every budget drill affects every program
  - "Salami slicing"
  - Almost all schedules move to the right

- The program is responsible for the cost of the "box" - operations is left with cost of ownership

ATB

- Single set of priorities lets ATB allocate funding to highest need

- When faced with budget drill, ATB can slip all activities associated with lowest-priority capability
  - Allows delivery of most capabilities on schedule

- ATB is responsible for cost of ownership of the capability

Before & After: Communication

Today

ATB

- Have to solicit information from multiple organizations and piece together integrated picture yourself
  - Organizations develop shadow groups to do this for them

- Single message based on common priorities and integrated plan

- Single point of contact:
  - One place to go for status of terminal capabilities and plans

- Integrated set of web-based tools to support configuration management and scheduling across all levels of ATB

Before & After: Needs/Requirements/ Architecture/Strategic Planning/Evolution

Today

- Evolution of NAS capabilities allocated straight to program (from NAS level to programs)
- Service providers translate requirements into technical language
- New and existing systems are allowed to evolve independently
  - Disconnects surface when deploying new systems
- New capabilities and infrastructure compete for funding

ATB

- Single point of responsibility for terminal architecture and evolution to new capabilities
- Terminal strategic planning completed by cross-disciplinary team
- Integrated evolution of new and existing systems
- Investment trades balance continuity of service and evolution
  - Opportunities identified for reducing the cost of capability ownership (insertion of innovation)

Realignment Expectations

- More rapid decision making (at lower levels)
- Coordinated investment
- Coordinated risk management
- Better resource utilization (reduced costs)
- Integrated planning across projects
- Smaller focused meetings
- Less product rework
- Streamlined communications

Realignment Expectations

- Faster delivery of product

- Higher product quality

- Rapid correction of defects

- Reduced product (innovation) cycle times

  - Early identification of need

  - Rapid prioritization

  - Efficient into product cycle

Financial Summary

- Financial size estimates are "preliminary"
  - Total F&E estimate is ~$681.1M
    - Includes payroll, program, and travel estimates
  - Total Ops estimate is ~$99.8M
    - Includes payroll, program, and travel dollars
  - Overall total is ~$780.9M